

ABSTRACT

The present invention relates to a data processing system capable of creating and maintaining the balances necessary for effective accounting of financial transactions by using a computed balance maintenance approach as opposed to the current standard event-driven, daily cycling approach. In particular, the data processing system creates nominal balances based on the life-to-date value of the instruments traded, then compares those nominal balances with the historic balances, and finally, creates the journal entries necessary to account for the differences between them, as opposed to the traditional approach of having daily entries drive accounting journals, which are then used as a foundation for subsequent account balance maintenance procedures. The data processing system thus comprises new and unique information transfer, storage and manipulation steps, and further comprises the creation and maintenance of dynamic links between declared investment strategies and the allocations of transactions to those strategies in order to meet the reporting requirements mandated by new accounting standards. The data processing system also provides a new and unique process that reassesses primary journal entries to create alternate homogeneous ledgers for analytic purposes, regulatory reporting purposes, or other purposes as are made possible by the inventive system.